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March 1, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENTS TO PROPOSITION A DIETARY  
SERVICES AND NON-PROPOSITION A CONCESSION SERVICES  
AGREEMENTS  
(ALL DISTRICTS)  
(4 VOTES)**

**SUBJECT**

Request approval to extend the term of the Proposition A dietary services and non-Proposition A concession services Agreements at various Department of Health Services facilities to allow sufficient time to complete a new solicitation process.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Mayor to sign the attached Proposition A (Prop A) Amendment No. 15 to Agreement No. 70295 with Morrison Management Specialists, Inc., dba Morrison Health Care, Inc. (Morrison), effective upon execution, to extend the term of the Agreement for the period of April 1, 2011 through September 30, 2011, for the continued provision of dietary services at Harbor-UCLA Medical Center (H-UCLA MC) for an estimated cost of \$2,567,058.
2. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 6 to Agreement No. 74158 with Morrison, effective upon execution, to extend the term of the Agreement for the period of April 1, 2011 through September 30, 2011, for the continued provision of dietary and concession services at LAC+USC Healthcare Network for an estimated cost of \$5,166,546.

3. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 15 to Agreement No. 70294 with Morrison, effective upon execution, to extend the term of the Agreement for the period of April 1, 2011 through September 30, 2011, for the continued provision of dietary services at Martin Luther King, Jr. Multi-Service Ambulatory Care Center (MLK MACC), and Hubert H. Humphrey Comprehensive Health Center (Humphrey CHC) for an estimated cost of \$702,664.
4. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 16 to Agreement No. 70694 with Morrison, effective upon execution, to extend the term of the Agreement for the period of April 1, 2011 through September 30, 2011, for the continued provision of dietary and concession services at Olive View-UCLA Medical Center (OV-UCLA MC) and registered dietician services at High Desert Multi-Service Ambulatory Care (HD MACC) for an estimated cost of \$2,078,440.
5. Approve and instruct the Mayor to sign the attached Prop A Amendment No. 16 to Agreement No. 68444 with Sodexo Operations, LLC (Sodexo), effective upon execution, to extend the term of the Agreement for the period of April 1, 2011 through September 30, 2011, for the continued provision of dietary and concession services at Rancho Los Amigos National Rehabilitation Center (RLANRC), for an estimated cost of \$2,136,870.
6. Authorize the Director of Health Services (Director), or his designee, to execute the attached non-Prop A Amendment No. 16 to Agreement No. H-211094 with Morrison, effective upon execution, to extend the term of the Agreement for the period of April 1, 2011 through September 30, 2011, for the continued provision of concession services at H-UCLA MC, with estimated revenue of \$39,000.
7. Delegate authority to the Director, or his designee, to extend all the services under the agreements on a month-to-month basis for an additional six-month period, effective October 1, 2011 through March 31, 2012, without any further action required.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

Approval of the first five recommendations will extend the agreements for dietary services at H-UCLA MC, MLK MACC, and Humphrey CHC, and both dietary and concession services at LAC+USC Healthcare Network, OV-UCLA MC, HD MACC, and RLANRC, through September 30, 2011. Approval of recommendation six will allow the Director to execute an amendment to extend concession services at H-UCLA MC for the same term. Dietary and concession services at Department of Health Services (DHS) facilities are provided pursuant to six separate agreements which will expire on March 31, 2011.

Following your Board's approval of the most recent agreement extensions on September 7, 2010, Morrison, the second-ranked proposer, requested a Countywide Review Panel. Morrison reiterated a number of issues that it had stated in its Proposed Contractor Selection Review and raised one new issue that DHS determined to be significant in the Request for Proposals (RFP) process. As a result, DHS determined it is in the best interest of the County to cancel the RFP, reissue a new RFP document, and rework the overall solicitation process. The recommended agreement extensions will ensure continuation of critical services while DHS completes the new solicitation.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 4, Health and Mental Health, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The estimated cost for each facility during the recommended extension period is as follows: \$2,567,058 for H-UCLA MC; \$5,166,546 for LAC+USC Healthcare Network; \$702,664 for MLK MACC and Humphrey CHC; \$2,078,440 for OV-UCLA MC and HD MACC; and \$2,136,870 for RLANRC; for a total of \$12,651,578. Estimated revenue at H-UCLA MC for the concession services is \$39,000 for the six-month extension period. Funding is included in the DHS Fiscal Year 2010-11 Final Budget and will be requested in future years.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

#### **H-UCLA MC and MLK MACC**

On September 3, 1996, your Board approved Agreements with Morrison to provide dietary services at H-UCLA MC and MLK/Drew Medical Center effective September 1, 1996 through February 29, 2004. Subsequently, your Board approved additional Amendments to extend the term through March 31, 2011. MLK MACC's dietary services currently include services to the patients of the Augustus Hawkins facility, residents and volunteers. A part-time Registered Dietician was added to Humphrey CHC to accommodate patients who previously went to MLK MACC for nutrition classes for diabetes and HIV. MLK MACC's concession services are currently provided under a separate Chief Executive Office (CEO) agreement that continues until cancelled. Under the RFP, both the dietary and the concession services were solicited and will be included in a single successor agreement.

#### LAC+USC Healthcare Network

Since 1995, DHS has contracted with Morrison for the provision of dietary services at LAC+USC MC. As a result of an RFP released in June 2001, Morrison was the selected contractor to provide services under a new Agreement effective October 1, 2002 through September 30, 2007, with authority to extend for up to six months through March 31, 2008. On March 25, 2008, your Board approved an Amendment that incorporated the concession services previously provided under a CEO agreement and extended the Agreement, effective April 1, 2008 through September 30, 2009. Subsequent amendments extended the term through March 31, 2011.

#### OV-UCLA MC and HD MACC

On May 13, 1997, your Board approved an Agreement with Morrison to provide dietary and concession services at OV-UCLA MC, effective June 1, 1997 through November 30, 2002. Subsequent amendments extended the term through March 31, 2011. The Agreement for clinical nutrition and concession services for HD MACC expired on June 30, 2010. The clinical nutrition services were added to the OV-UCLA MC Agreement under delegated authority for the period of July 1, 2010 through September 30, 2010. On September 7, 2010, your Board approved the addition of clinical nutrition services required by HD MACC to this Agreement through March 31, 2011. In the RFP, HD MACC's needs for a registered dietitian for its clinical nutrition services were added to OV-UCLA MC's dietary and concession services. Since clinical nutrition services were the only dietary services provided at HD MACC and added to the OV-UCLA Agreement, a separate solicitation was completed for concession services at the facility. On September 14, 2010, your Board approved an Agreement with High Rise Goodies Restaurant Group for the provision of concession services at HD MACC.

#### RLANRC

On July 18, 1995, your Board approved an Agreement with Sodexo to provide dietary and concession services at RLANRC, effective August 1, 1995 through January 31, 2003. Subsequent amendments extended the term through March 31, 2011.

#### H-UCLA MC - Concession Services

On May 9, 2000, your Board approved a revenue concession Agreement with Morrison for the provision of concession services at H-UCLA MC through February 29, 2004. Subsequent amendments extended the term through March 31, 2011. Under the RFP, these services are combined with the dietary services so that there will be a single successor agreement.

All Amendments

All the dietary and concession agreements have the current Living Wage language and the contractors are in compliance with the Living Wage Program. The Agreements also include the latest Board policies.

County Counsel has reviewed and approved Exhibits I, II, III, IV, V, and VI as to use and form.

**CONTRACTING PROCESS**

Not applicable.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Board approval will allow for the continued provision of dietary and concession services at H-UCLA MC, LAC+USC Healthcare Network, MLK MACC, Humphrey CHC, OV-UCLA MC, HD MACC, and RLANRC.

Respectfully submitted,



Mitchell H. Katz, M.D.  
Director

MHK:jc

Enclosures (6)

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors